

Hardin County Water District No. 1

Serving Radcliff and Hardin County for Over 50 Years

1400 Rogersville Road
Radcliff, KY. 40160

RECEIVED

APR 10 2008

PUBLIC SERVICE
COMMISSION

April 9, 2008

Mr. Garrett Drakeford
Financial Services
Kentucky League of Cities
P.O. Box 34128
Lexington, KY 40508-4128

**SUBJECT: Amendment to Radcliff / District Transfer Agreement
Assumption of Debt Request - Kentucky Municipal Finance Corporation, Series
2001A Pooled Revenue Bond Issue**

Dear Mr Drakeford:

As you know, we notified your office by letter on December 3, 2007, of our intent to assume the City of Radcliff's Series 2001A Pooled Revenue Bond issue. Since that time, we have talked several times with you by phone, on the process required to have this transfer approved.

On February 13, 2008, you advised us that your bond counsel, Mr. Dirk Bedarff, requested that our agreement with the City include certain language, regarding our District assuming the KLC debt. We have since added an amendment to our transfer agreement, which is attached and has been signed by both parties.

The Kentucky Infrastructure Authority has also approved transfer of their debt with the City, to our District. For your reference, we are also sending a copy of their notice of conditional approval. They have made the transfer approval pending approval by the Public Service Commission (PSC).

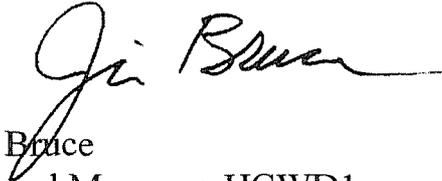
The PSC has also asked us to submit evidence that the KLC has also approved, or intends to approve, this transfer. We would appreciate it if you could proceed with a final approval decision, and send us any documentation you can of this approval, or pending approval.

Mr. Garrett Drakeford
Kentucky League of Cities
Amendment to Radcliff / District Transfer Agreement

Continued

We have time constraints and restrictions, so we would request that you expedite your final review and approval, if that is possible. If you have any questions or need more information, do not hesitate to call us.

Sincerely,



Jim Bruce
General Manager, HCWD1

Cf; Mr. Mike Pike, City Attorney, Radcliff
Mr. David Wilson II, HCWD1 Attorney
Kentucky Public Service Commission - Case No. 2008-00074

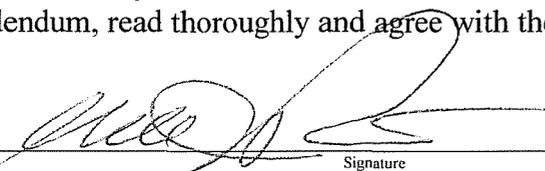
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ADDENDUM

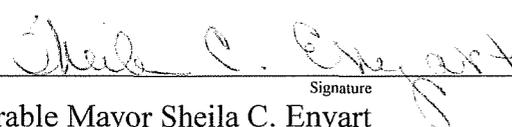
This addendum dated April 2, 2008 is hereby made a part of the Wastewater System Acquisition Agreement, executed by and between the City of Radcliff and Hardin County Water District No. 1 on 31 January, 2008 and shall be included as if fully set forth therein. This Addendum shall incorporate the following language, pursuant to Appendix B, Item 1 of the original agreement and shall be set forth therein as an additional Section 4.c of the original agreement:

- 4.c Hardin County Water District No.1, shall assume all identified debt associated with the system and abide by all obligations and covenants contained in the original loan agreement between the City of Radcliff and the Kentucky Municipal Finance Corporation.**

By signing below, both parties do hereby acknowledge that they are duly authorized to sign on behalf of Hardin County Water District No.1 and the City of Radcliff, respectively, and have received this addendum, read thoroughly and agree with the included its content.



Signature
Date: 4/2/08
William J. Rissel, Chairman
Hardin County Water District No.1
Board of Commissioners

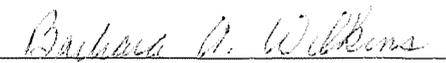


Signature
Date: 4.2.08
Honorable Mayor Sheila C. Enyart
City of Radcliff

COMMONWEALTH OF KENTUCKY:
COUNTY OF HARDIN:

The foregoing instrument was executed, acknowledged, subscribed and sworn to before me this 2nd Day of April, 2008 by Mr. William J. Rissel, Chairman, Board of Commissioners, Hardin County Water District No.1 and Mayor Shelia C. Enyart, City of Radcliff.

My Commission Expires: 7/30/08



Notary Public